

July 16, 2010

Office of the General Counsel
Massachusetts Institute of Technology
Attention: Ms. Regina Dugan
77 Massachusetts Avenue
Building 10-370
Cambridge, MA 02139

SUBJECT: ACCEPTANCE OF THE MASSACHUSETTS INSTITUTE OF
TECHNOLOGY'S REQUEST TO CHANGE TO A SELF-GUARANTEE
TO PROVIDE DECOMMISSIONING FUNDING ASSURANCE
FOR THE MASSACHUSETTS INSTITUTE OF TECHNOLOGY
RESEARCH REACTOR (TAC NO. ME3002)

Dear Ms. Dugan:

By letter dated, October 27, 2009, as supplemented on December 15, 2009 and May 11, 2010, the Massachusetts Institute of Technology (MIT) submitted a request to the Nuclear Regulatory Commission (NRC) to change its method of providing decommissioning funding assurance to the self-guarantee method as allowed by Title 10 of the *Code of Federal Regulations* (10 CFR) Section 50.75(e)(1)(iii) for non-profit entities, such as universities. MIT is currently providing financial assurance for decommissioning for the Massachusetts Institute of Technology Research Reactor, License No. R-37, and its Special Nuclear Materials License, License No. SNM-986, with an escrow account held in trust by the U.S. Bank. The regulation states that "...a guarantee of funds by the applicant or licensee may be used if the guarantee and test are as contained in Appendix E to 10 CFR Part 30."

The NRC staff reviewed the self-guarantee agreement and corroborating documentation to cover the cost of decommissioning the above-mentioned NRC Licenses and found that the self-guarantee agreement meets or exceeds the financial test criteria for a non-profit university that issues bonds, that it is acceptable for providing decommissioning funding assurance, and that it is in accordance with the provisions of Appendix E to 10 CFR Part 30.

Sincerely,

/RA/

Jessie F. Quichocho, Chief
Research and Test Reactors Licensing Branch
Division of Policy and Rulemaking
Office of Nuclear Reactor Regulation

Docket No. 50-020

CONTACT: Alexander Adams, NRR/DPR
301-415-1127

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